

ACT No. IX OF 1897.¹

[11th March, 1897.]

An Act to amend the law relating to Government and other Provident Funds.

[As modified up to the 1st April 1903.]

WHEREAS it is expedient to amend the law relating to Government and other Provident Funds; It is hereby enacted as follows:—

1. (1) This Act may be called the Provident Funds Act, 1897. Title, extent and commencement.

(2) It extends to the whole of British India, including * * * British Baluchistan; and

(3) It shall come into force at once.

2. In this Act—

Definitions.

(1) "Provident Fund" means a fund in which the subscriptions or deposits of any class or classes of employees are received and held on their individual accounts, and includes any contributions, credited in respect of, and any interest accruing on, such subscriptions or deposits under the rules of the Fund:

(2) "Government Provident Fund" means a Provident Fund constituted by the authority of the Government for any class or classes of its employees:

(3) "Railway Provident Fund" means a Provident Fund constituted by the authority of the Government of India, or of any company which administers a railway

¹ For Statement of Objects and Reasons, see Gazette of India, 1896, Pt. V, p. 254; for Report of the Select Committee, see *ibid.* 1897, Pt. V, p. 74; and for Proceedings in Council, see *ibid.* Pt. VI, p. 241, and *ibid.* 1897, Pt. VI, pp. 2, 56 and 74.

² The words "Upper Burma and" were repealed and the Act at the same time declared to be in force in Upper Burma (except the Shan States) by the Burma Laws Act, 1898 (XIII of 1898)—see the Fifth and First Schedules, respectively, printed Burma Code, Ed. 1899.

a railway or tramway in British India, either under a special Act of Parliament or under contract with the Secretary of State in Council or the Government of India, for any class or classes of the employees on, or in connection with, such railway or tramway : and

(4) " compulsory deposit " means a subscription or deposit which is not repayable on the demand, or at the option, of the subscriber or depositor, and includes any contribution which may have been credited in respect of, and any interest or increment which may have accrued on, such subscription or deposit under the rules of the Fund.

Payment
from Govern-
ment or Rail-
way Provi-
dent Fund on
death of sub-
scriber or
depositor.

3. (1) When a subscriber to, or depositor in, any Government or Railway Provident Fund dies, and the sum standing to his credit in the books of the Fund does not exceed two thousand rupees, the officer or person whose duty it is to make payment of such sum may pay it as follows :—

(a) he may pay it to any person entitled to receive it according to the rules of the Fund or, in the absence of any rule of the Fund to the contrary, to any person nominated in writing by the deceased subscriber or depositor to receive it ;

(b) in any case not hereinbefore provided for, he may pay it to any person appearing to him to be entitled to receive it.

(2) The provisions of sub-section (1) shall apply to any such sum which at the commencement of this Act stands to the credit of any subscriber or depositor already deceased.

(3) Nothing in this section shall affect the validity of the rules of any Fund in so far as such rules may provide for the disposal of sums exceeding two thousand rupees.

Protection
to deposits
and other
sums in cer-
tain cases.

¹ 4. (1) Compulsory deposits in any Government or Railway Provident Fund shall not be liable to any attachment under any decree or order of a Court of Justice in respect of any debt or liability incurred by a subscriber

¹ This section was substituted for the original section by the Provident Funds (Amendment) Act, 1908 (IV of 1903), s. 2.

XIV of 1882.

subscriber to, or depositor in, any such Fund, and neither the Official Assignee nor a Receiver appointed under Chapter XX of the Code of Civil Procedure¹ shall be entitled to, or have any claim on, any such compulsory deposit.

(2) Any sum standing to the credit of any subscriber to, or depositor in, any such Fund at the time of his decease and payable under the rules of the Fund or under this Act, to the widow or the children, or partly to the widow and partly to the children, of the subscriber or depositor, or to such person as may be authorized by law to receive payment on her or their behalf, shall vest in the widow or the children, or partly in the widow and partly in the children, as the case may be, free from any debt or other liability incurred by the deceased, or incurred by the widow or by the children, or by any one or more of them, before the death of such subscriber or depositor.

(3) Nothing in sub-section (2) shall apply in the case of any such subscriber or depositor as aforesaid dying before the thirteenth day of March 1903.

5. No suit or other legal proceeding shall lie against any person in respect of anything done or in good faith intended to be done in pursuance of the provisions of this Act.

Protection for anything done in good faith under this Act.

6. The Governor General in Council may, in his discretion, by notification in the official Gazette, extend the provisions of this Act to any Provident Fund² established for the benefit of its employees by any local authority within the meaning of the Local Authorities Loan Act, 1879.³

Power to extend Act to other Provident Funds.

XI of 1879.

7. Nothing in section 3 shall apply to money belonging to the estate of any European officer, non-commissioned officer or soldier dying in Her Majesty's service in India, or of any European who at the time of his death was a deserter from such service.

Saving as to estates of soldiers.

¹ See now the Code as modified up to 1st December, 1899.

² The provisions of the Act have, under this power, been extended to the Provident Fund of the Bombay Port Trust and to that established by the Calcutta Corporation—see Gazette of India, 1898, Pt. I, p. 68, and *ibid*, 1902, Pt. I, 509.

³ General Acts, Vol. III.